

CONDOMINIUM PUBLIC REPORT

Prepared &

Issued by: Developer Sherwood C. Conant II

Address P.O. Box 490, Kilauea, HI 96754

Project Name(*): KILAUEA GARDENS FARMS

Address Lot 1-B-2, Kilauea Gardens Subdivision, Kilauea, Hanalei, Kauai, Hawaii

Registration No. 4240

(Partial conversion)

Effective date: May 10, 2006

Expiration date: June 10, 2007

Preparation of this Report:

This report has been prepared by the Developer pursuant to the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, as amended. This report is not valid unless the Hawaii Real Estate Commission has issued a registration number and effective date for the report.

This report has not been prepared or issued by the Real Estate Commission or any other governmental agency. Neither the Commission nor any other government agency has judged or approved the merits or value, if any, of the project or of purchasing an apartment in the project.

Buyers are encouraged to read this report carefully, and to seek professional advice before signing a sales contract for the purchase of an apartment in the project.

Expiration Date of Reports. Preliminary Public Reports and Final Public Reports automatically expire thirteen (13) months from the effective date unless a Supplementary Public Report is issued or unless the Commission issues an order, a copy of which is attached to this report, extending the effective date for the report.

Exception: The Real Estate Commission may issue an order, a copy of which shall be attached to this report, that the final public report for a two apartment condominium project shall have no expiration date.

Type of Report:

 PRELIMINARY:
(yellow)

The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued by the developer when complete information is filed.

 FINAL:
(white)

The developer has legally created a condominium and has filed complete information with the Commission.

☐ No prior reports have been issued.

☐ This report supersedes all prior public reports.

☐ This report must be read together with _____

☒ **SUPPLEMENTARY:**
(pink)

This report updates information contained in the:

☐ Preliminary Public Report dated: _____

☒ Final Public Report dated: January 20, 2000

☐ Supplementary Public Report dated: _____

And

☒ Supersedes all prior public reports

☐ Must be read together with _____

☐ This report reactivates the _____

public report(s) which expire on _____

(*) Exactly as named in the Declaration

This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2643 to submit your request.

FORM: RECO-30 286/986/189/1190/892/0197/0800/0203/0104

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

☐ Required and attached to this report

☒ Not Required - disclosure covered in this report.

Summary of Changes from Earlier Public Reports:

This summary contains a general description of the changes, if any, made by the developer since the last public report was issued. It is not necessarily all inclusive. Prospective buyers should compare this public report with the earlier reports if they wish to know the specific changes that have been made.

☐ No prior reports have been issued by the developer.

☒ Changes made are as follows:

CHANGES MADE. Since the issuance of the Final Public Report, the following changes have occurred:

1. The Declaration of Condominium Property Regime has been amended three times. The Third Amendment provided that Unit 5 could be used as a church; that the person entitled to designate the guest house is James D. White; and to add a power of attorney provision to all the owners for the purpose of applying for and obtaining building permits for the construction of improvements on their own respective units. The Fourth Amendment was made to reflect that the Developer constructed two buildings on the limited common element land area appurtenant to Unit 4. The buildings are a barn and a greenhouse (see page 11 and Exhibit A of this Public Report).
2. The Condominium Map was amended together with the Fourth Amendment to Declaration in order to reflect the construction of the barn and greenhouse.
3. The Developer, Sherwood C. Conant II, only has an interest in Unit 4. All of the other units, namely Units 1, 2, 3, 5, and 6 have been sold.
4. The project escrow agent has been changed to Title Guaranty Escrow Services, Inc. and the real estate broker for unit 4 is Kauai Realty, Inc.
5. A Notice of Dedication to Agriculture has been filed on Unit 4. See page 20 for additional information.

SPECIAL NOTICE:

THIS IS A CONDOMINIUM PROJECT, NOT A SUBDIVISION. THERE ARE COUNTY RESTRICTIONS ON THE NUMBER OF RESIDENTIAL DWELLING UNITS, OR OTHER STRUCTURES, WHICH MAY BE BUILT UPON THE PROPERTY. THEREFORE, UNLESS THE PURCHASER IS PURCHASING AN EXISTING RESIDENTIAL DWELLING, THERE IS NO ASSURANCE THAT THE PURCHASER WILL BE ABLE TO BUILD A RESIDENTIAL DWELLING UNIT ON THE PROPERTY. THERE ALSO IS NO ASSURANCE THAT THE PURCHASER WILL BE ABLE TO CONVERT AN EXISTING NON-RESIDENTIAL STRUCTURE TO A RESIDENTIAL USE. THE PURCHASER SHOULD CONSULT WITH THE APPROPRIATE COUNTY AGENCIES TO DETERMINE WHETHER THE PURCHASER MAY BUILD A RESIDENTIAL DWELLING UNIT, OR ANY OTHER TYPE OF STRUCTURE, UPON THE PROPERTY.

THIS PUBLIC REPORT AND THE DISCLOSURES CONTAINED HEREIN ONLY APPLIES TO UNIT 4

1. There are presently NO RESIDENTIAL STRUCTURES on the Units of the Project property. There are only agricultural or other non-residential structures, each of which may be defined as an "apartment" under the condominium property act.
2. Issuance of an effective date this Public Report does not constitute an approval of the project by the Real Estate Commission, or any other governmental agency, nor does it imply that all County codes, ordinances and subdivision requirements have been complied with.

This project does not involve the sale of individual subdivided lots. The land area beneath and immediately adjacent to each unit, as shown on the Condominium Map, is designated as a limited common element for that unit and does not represent a legally subdivided lot. The dotted lines on the Condominium map merely represent the location of the limited common element assigned to each unit.

Facilities and improvements normally associated with County approved subdivisions, such as improved access for owner and emergency traffic, drainage facilities, etc., may not necessarily be provided for and services such as County street maintenance and trash collection will not be available for interior driveways.

The use of Unit 6 shall be limited permanently to agricultural or school use. See the Project Declaration of Condominium Property Regime.

THE PROSPECTIVE PURCHASER IS CAUTIONED TO CAREFULLY REVIEW THE CONDOMINIUM DOCUMENTS FOR FURTHER INFORMATION REGARDING THE FORGOING.

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General Information on Condominiums

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, must be complied with. In addition, certain requirements and approvals of the County in which the project is located must be satisfied and obtained.

Some condominium projects are leasehold. This means that the land or the building(s) and other improvements are leased to the buyer. The lease for the land usually requires that at the end of the lease term, the lessees (apartment owners/tenants) deliver their interest in the land to the lessor (fee property owner). The lease also usually requires that the lessees either (1) convey to the lessor the building(s) and other improvements, including any improvements paid for by the lessees; or (2) remove or dispose of the improvements at the lessee's expense. Leases for individual apartments often require that at the end of the lease term, the lessee deliver to the lessor the apartment, including any improvements placed in the apartment by the lessee.

If you are a typical condominium apartment owner, you will have two kinds of ownership: (1) ownership in your individual apartment; and (2) an undivided interest in the common elements.

"Common elements" are the areas of the condominium project other than the individual apartments. They are owned jointly by all apartment owners and include the land, either in fee simple or leasehold, and those parts of the building or buildings intended for common use such as foundations, columns, roofs, halls, elevators, and the like. Your undivided interest in the common elements cannot be separated from ownership of your apartment.

In some condominium projects, some common elements are reserved for the exclusive use of the owners of certain apartments. The common elements are called "limited common elements" and may include parking stalls, patios, lanais, trash chutes, and the like.

You will be entitled to exclusive ownership and possession of your apartment. Condominium apartments may be individually bought, sold, rented, mortgaged or encumbered, and may be disposed of by will, gift or operation of law.

Your apartment will, however, be part of the group of apartments that comprise the condominium project. Study the project's Declaration, Bylaws, and House Rules. These documents contain important information on the use and occupancy of apartments and the common elements as well as the rules of conduct for owners, tenants, and guests.

Operation of the Condominium Project

The Association of Apartment Owners is the entity through which apartment owners may take action with regard to the administration, management, and operation of the condominium project. Each apartment owner is automatically a member of the Association.

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as an apartment owner. The Board of Directors and officers can take certain actions without the vote of the owners. For example, the board may hire and fire employees, increase or decrease maintenance fees, borrow money for repair and improvements and set a budget. Some of these actions may significantly impact the apartment owners.

Until there is a sufficient number of purchasers of apartments to elect a majority of the Board of Directors, it is likely that the developer will effectively control the affairs of the Association. It is frequently necessary of the developer to do so during the early stages of development and the developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective buyers should understand that it is important to all apartment owners that the transition of control from the developer to the apartment owners be accomplished in an orderly manner and in spirit of cooperation.

I. PERSONS CONNECTED WITH THE PROJECT

Developer: Sherwood C. Conant II Phone: (808) 828-1554
Name* (Business)
P. O. Box 490
Business Address
Kilauea, Hawaii 96754

Names of officers and directors of developers who are corporations; general partners of a partnership; partners of a Limited Liability Partnership (LLP); or manager and members of a Limited Liability Company (LLC) (attach separate sheet if necessary): _____

Real Estate Broker: Mark K. Tanaka, CRB CRS Phone: (808) 245-1651
Kauai Realty, Inc. (Business)
Name
2970 Kress Street
Business Address
Lihue, Kauai, Hawaii 96766

Escrow: Title Guaranty Escrow Services, Inc. Phone: (808) 241-4380
Name (Business)
4414 Kukui Grove Street, Suite 204
Business Address
Lihue, Kauai, Hawaii 96766

General Contractor: US Guys Builders LLC Phone: (808) 245-7788
Name (Business)
3385 Unahe Street
Business Address
Lihue, Kauai, Hawaii 96766

Condominium Managing Agent: Self Managed by the Association of Apartment Owners Phone: _____
Name (Business)
Business Address

Attorney for Developer: MICHAEL H. SAKAI Phone: (808) 531-4171
Name (Business)
201 Merchant Street, Suite 902
Business Address
Honolulu, Hawaii 96813

*For Entities: Name of corporation, partnership, Limited Liability Partnership (LLP), or Limited Liability Company (LLC)

II. CREATION OF THE CONDOMINIUM;
CONDOMINIUM DOCUMENTS

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of Condominium Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners. The Condominium Property Act (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the project and the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.

A. **Declaration of Condominium Property Regime** contains a description of the land, buildings, apartments, common elements, limited common elements, common interests, and other information relating to the condominium project.

The Declaration for this condominium is:

☐ Proposed

☒ Recorded - Bureau of Conveyances: Document No. 99-133770
Book _____ Page _____

☐ Filed - Land Court: Document No. _____

The Declaration referred to above has been amended by the following instruments [state name of document, date and recording/filing information]:

First Amendment to Declaration of Condominium Property Regime dated December 1, 1999, recorded as Document No. 99-196867, Third Amendment to Declaration dated July 31, 2001, recorded as Document No. 2001-122118, and a Fourth Amendment to Declaration dated February 21, 2006, recorded as Document No. 2006-049529.

(NOTE: No Second Amendment to Declaration was ever made or recorded)

B. **Condominium Map (File Plan)** shows the floor plan, elevation and layout of the condominium project. It also shows the floor plan, location, apartment number, and dimensions of each apartment.

The Condominium Map for this condominium project is:

☐ Proposed

☒ Recorded - Bureau of Conveyances, Condo Map No. 2938

☐ Filed - Land Court Condo Map No. _____

The Condominium Map has been amended by the following instruments [state name of document, date and recording/filing information]:

Fourth Amendment to Declaration of Condominium Property Regime dated February 21, 2006, recorded as Document No. 2006-049529.

C. **Bylaws of the Association of Apartment Owners** govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Apartment Owners is elected, the powers and duties of the Board, the manner in which meetings will be conducted, whether pets are prohibited or allowed and other manners which affect how the condominium project will be governed.

The Bylaws for this condominium re:

☐ Proposed

☒ Recorded - Bureau of Conveyances: Document No. 99-133771
Book _____ Page _____

☐ Filed - Land Court: Document No. _____

The Bylaws referred to above have been amended by the following instruments [state name of document, date and recording/filing information]:

D. **House Rules.** The Board of Directors may adopt House Rules to govern the use and operation of the common elements and limited common elements. House Rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais and requirements for keeping pets. These rules must be followed by owners, tenants and guests. They do not need to be recorded or filed to be effective. The initial House Rules are usually adopted by the developer.

The House Rules for this condominium are:

☐ Proposed ☐ Adopted ☒ Developer does not plan to adopt House Rules

E. **Changes to Condominium Documents**

Changes to the Declaration, Condominium Map, and Bylaws are effective only if they are duly adopted and recorded and/or filed. Changes to House Rules do not need to be recorded or filed to be effective.

1. **Apartment Owners:** Minimum percentage of common interest which must vote for or give written consent to changes:

	Minimum Set by Law	<u>This Condominium</u>
Declaration (ad Condo Map)	75%*	<u>75%</u>
Bylaws	65%	<u>75%</u>
House Rules	---	<u>N/A</u>

*The percentage for individual condominium projects may be more than the minimum set by law for projects with five or fewer apartments.

2. **Developer:**

☒ No rights have been reserved by the developer to change the Declaration, Condominium Map, Bylaws or House Rules

☐ Developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws or House Rules:

III. THE CONDOMINIUM PROJECT

A. **Interest to be Conveyed to Buyer:**

- ☒ **Fee Simple:** Individual apartments and the common elements, which include the underlying land, will be in fee simple.
- ☐ **Leasehold or Subleasehold:** Individual apartments and the common elements, which include the underlying land will be leasehold.

Leases for the individual apartments and the underlying land usually require that at the end of the lease term, the lessee (apartment owner/tenant) deliver to the lessor (fee property owner) possession of the leased premises and all improvements, including improvements paid for by the lessee.

Exhibit _____ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires: _____ Rent Renegotiation Date(s): _____

Lease Rent Payable: ☐ Monthly ☐ Quarterly
 ☐ Semi-Automatically ☐ Annually

Exhibit _____ contains a schedule of the lease rent for each apartment per ☐ Month ☐ Year

For Subleaseholds:

- ☐ Buyer's sublease may be canceled if the master lease between the sublessor and fee owner is:
 ☐ Canceled ☐ Foreclosed

- ☐ As long as the buyer is not in default, the buyer may continue to occupy the apartment and/or land on the same terms contained in the sublease even if the master lease is canceled or foreclosed.

- ☐ **Individual Apartments in Fee Simple; Common Interest in the Underlying Land in Leasehold or Subleasehold:**

Leases for the underlying land usually require that at the end of the lease term, the lessees (apartment owners/tenants) deliver to the lessor (fee property owner) their interest in the land and that they either (1) remove or dispose of the building(s) and other improvements at the lessee's expense; or (2) convey the building(s) and improvements to the lessor, often at a specified price.

Exhibit _____ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires: _____ Rent Renegotiation Date(s) _____

Lease Rent Payable: ☐ Monthly ☐ Quarterly
 ☐ Semi-Automatically ☐ Annually

Exhibit _____ contains a schedule of the lease rent for each apartment per ☐ Month ☐ Year

[] Other:

IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS

The information contained in this report is a summary of the terms of the lease. For more detailed information, you should secure a copy of the lease documents and read them thoroughly.

If you have any legal questions about leasehold property, the lease documents or the terms of the lease and the consequences of becoming a lessee, you should seek the advice of an attorney.

There are currently no statutory provisions for the mandatory conversion of leasehold condominiums and there are no assurances that such measures will be enacted in the future.

In leasehold condominium projects, the buyer of an apartment will acquire the right to occupy and use the apartment for the time stated in the lease agreement. The buyer will not acquire outright or absolute fee simple ownership of the land. The land is owned by the lessor or the leased fee owner. The apartment owner or lessee must make lease rent payments and comply with the terms of the lease or be subject to the lessor's enforcement actions. The lease rent payments are usually fixed at specific amounts for fixed period of time, and are then subject to renegotiation. Renegotiation may be based on a formula, by arbitration set in the lease agreement, by law or by agreement between the lessor and lessee. The renegotiated lease rents may increase significantly. At the end of the lease, the apartment owners may have to surrender the apartments, the improvements and the land back to the lessor without any compensation (surrender clause).

When leasehold property is sold, title is normally conveyed by means of an assignment of lease, the purpose of which is similar to that of a deed. The legal and practical effect is different because the assignment conveys only the rights and obligations created by the lease, not the property itself.

The developer of this condominium project may have entered into a master ground lease with fee simple owner of the land in order to develop the project. The developer may have then entered into a sublease or a new lease of the land with the lessee (apartment owner). The developer may lease the improvements to the apartment owner by way of an apartment lease or sublease, or sell the improvements to the apartment owners by way of a condominium conveyance or apartment deed.

B. Underlying Land:

Address: Kilauea Lighthouse Road Kilauea, Hanalei, Kauai, Hawaii

Tax Map Key (TMK): (4) 5-2-4-102

[X] Address [] TMK is expected to change because each unit may obtain a street address from the Department of Public Works, County of Kauai

Land Area: 93.972 [] square feet [X] acre(s) Zoning: Agriculture

Fee Owner: SHERWOOD C. CONANT II and LILI BRYAN-CONANT
Name
P. O. Box 490, Kilauea, HI 96754
Address

Lessor: N/A
Name

Address

C. **Buildings and Other Improvements:**

1. ☐ New Building(s)
☐ Conversion of Existing Building(s)
☒ Both New Building(s) and Conversion
2. Number of Buildings: 10 Floors Per Building 1
☐ Exhibit _____ contains further explanations.
3. Principal Construction Material:
☐ Concrete ☐ Hollow Tile ☐ Wood
☒ Other Unit 1: wood and shade cloth
Unit 2, 3,6: metal and shade cloth*
Unit 4: wood and metal with shade cloth
Unit 5: wood and aluminum siding*
4. Permitted Uses by Zoning:

No of Apts.	Use Permitted By Zoning		
<input type="checkbox"/> Residential	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Commercial	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Mix Res/Comm	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Hotel	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Timeshare	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Ohana	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Industrial	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input checked="" type="checkbox"/> Agricultural	_____	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Recreational	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input checked="" type="checkbox"/> Other: Farm Shed*	<u>6</u>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Is/Are this/these use(s) specifically permitted by the project's Declaration or Bylaws?

☒ Yes ☐ No

*See page 20 for additional information. The church being constructed for Unit 5 is on a concrete slab foundation. The two school buildings for Unit 6 are constructed primarily of wood and hollow tile.

5. Special Use Restrictions:

The Declaration and Bylaws may contain restrictions on the use and occupancy of the apartments. Restrictions for this condominium project include but are not limited to:

☒ Pets: Household pets may be kept consistent with any applicable law or restrictive covenants applicable to the project so long as they do not become a nuisance to the other owners.

☐ Number of Occupants: _____

☐ Other: _____

☒ There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: 0 Stairways: 0 Trash Chutes: 0

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Net Other Area (sf)	(Identify)
Unit 1,2,3	3	0	0	20	Storage shed**
Unit 4	1	0	0	1152/3360	Barn/Greenhouse
Unit 5	1	0	0	800/128	Farm shed**
Unit 6	1	0	0	20	Storage Shed**

Total Apartments: 6

*Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls.

**See page 20 for additional information.

Other documents and maps may give floor area figures which differ from those above because a different method of determining the floor area may have been used.

Boundaries of Each Apartment:

Per Article II of the Declaration of Condominium Property Regime, the boundaries of each apartment shall be the outer surface of the entire building. Wires or conduits, pipes of any utility lines running over, under or through any apartment which are utilized for or serve more than one unit shall not be deemed a part of the apartment, the same being deemed common elements.

Permitted Alterations to Apartments:

Permitted alterations to apartments are as allowed by County of Kauai zoning ordinances and recorded restrictions on the project, if any. Upon construction of each permanent improvement, an amendment to the Declaration of Condominium Property Regime will be required to disclose actual improvements as a matter of public record.

7. Parking Stalls:

Total Parking Stalls: 6*

	Regular		Compact		Tandem		TOTAL
	covered	open	covered	open	covered	open	
Assigned (total) (for each unit)	_____	<u>1</u>	_____	_____	_____	_____	<u>1</u>
Guest	_____	_____	_____	_____	_____	_____	_____
Unassigned	_____	_____	_____	_____	_____	_____	_____
Extra for	_____	_____	_____	_____	_____	_____	_____
Purchase	_____	_____	_____	_____	_____	_____	_____
Other:	<u>*Units 1-6 have space for parking within their limited common elements' land areas.</u>						
Total Covered & Open	_____	<u>6</u>	_____	<u>0</u>	_____	<u>0</u>	<u>6</u>

Each apartment will have the exclusive use of at least *1 parking stall(s).
Buyers are encouraged to find out which stall(s) will be available for their use.

*See page 20 for additional information.

☐ Commercial parking garage permitted in condominium project.

☐ Exhibit ____ contain additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

☒ There are no recreational facilities

☐ Swimming pool

☐ Storage Area

☐ Recreation Area

☐ Laundry Area

☐ Tennis Court

☐ Trash Chute/Enclosure(s)

☐ Other: _____

9. Compliance with Building Code and Municipal Regulations; Cost to Cure Violations

☒ There are no violations.

☐ Violations will not be cured.

☐ Violations and cost to cure are listed below.

☐ Violations will be cured by _____

10. Conditions and Expected Useful Life of Structural Components, Mechanical, and Electrical Installations

(For conversions of residential apartments in existence for at least five years):

Not Applicable Both structures for Unit 4 were constructed in 2006.

11. Conformance to Present Zoning Code

a. ☒ No variances to zoning code have been granted.

☐ Variance(s) to zoning code was/were granted as follows:

b. Conforming/Non-Conforming Uses, Structures, Lot

In general, a non-conforming use, structure, or lot is a use, structure, or lot which was lawful at one time but which does not now conform to present zoning requirements.

	<u>Conforming</u>	<u>Non-Conforming</u>	<u>Illegal</u>
Uses	<u> X </u>	<u> </u>	<u> </u>
Structures	<u> X </u>	<u> </u>	<u> </u>
Lot	<u> X </u>	<u> </u>	<u> </u>

If a variance has been granted or if uses, improvements or lot are either non-conforming or illegal, buyer should consult with county zoning authorities as to possible limitations which may apply.

Limitations may include restrictions on extending, enlarging, or continuing the non-conformity, and restrictions on altering and repairing structures. In some cases, a non-conforming structure that is destroyed or damaged cannot be reconstructed.

The buyer may not be able to obtain financing or insurance if the condominium project has a non-conforming or illegal use, structure or lot.

D. Common Elements, Limited Common Elements, Common Interest:

1. Common Elements: Common Elements are those parts of the condominium project other than the individual apartments. Although the common elements are owned jointly by all apartment owners, those portions of the common elements which are designated as limited common elements (see paragraph 2 below) may be used only by those apartments to which they are assigned. The common elements for this project, as described in the Declaration, are:

☒ described in Exhibit E .

☐ as follows:

2. Limited Common Elements: Common Elements are those common elements which are reserved for the exclusive use of the owners of certain apartments.

☐ There are no limited common elements in this project.

☒ The limited common elements and the apartments which use them, as described in the Declaration, are:

☒ described in Exhibit E.

☐ as follows:

3. Common Interest: Each apartment will have an undivided fractional interest in all of the common elements. This interest is called the "common interest". It is used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium project. It may also be used for other purposes, including voting on matters requiring action by apartment owners. The common interests for the apartments in this project, as described in the Declaration, are:

☒ described in Exhibit C.

☐ as follows:

- E. Encumbrances Against Title: An encumbrance is a claim against or a liability on the property or a document affecting the title or use of the property. Encumbrances may have an adverse effect on the property or your purchase and ownership of an apartment in the project.

Exhibit C describes the encumbrances against the title contained in the title report dated March 17, 2006 and issued by Title Guaranty of Hawaii, Inc. (As to Unit 4 only)

Blanket Liens:

A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project that secures some type of monetary debt (such as a loan) or other obligation. A blanket lien is usually released on an apartment-by-apartment basis upon payment of specific sums so that individual apartments can be conveyed to buyers free and clear of the lien.

[X] There are no blanket liens affecting title to the individual apartments.

[] There are blanket liens which may affect title to the individual apartments.

Blanket liens (except for improvement district or utility assessments) must be released before the developer conveys the apartment to a buyer. The buyer's interest will be affected if the developer defaults and the lien is foreclosed prior to conveying the apartment to buyer.

<u>Type of Lien</u>	<u>Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>
---------------------	--

Not Applicable

F. **Construction Warranties:**

Warranties for individual apartments and the common elements, including the beginning and ending dates for each warranty, are as follows:

1. Building and Other Improvements:

None.

2. Appliances:

None.

G. **Status of Construction and Date of Completion or Estimated Date of Completion:**

Unit 4 barn and greenhouse were constructed in 2006. The other units based on what the Developer originally built and/or registered were as follows:

Units 1, 2, 3 and 6 storage shed were completed in 1999.*

Unit 5 farm sheds were completed in 1992.*

*See page 20 for additional information.

H. **Project Phases:**

The developer [] has [X] has not reserved the right to add to, merge, or phase this condominium.

Summary of Developer's plans or right to perform for future development (such as additions, mergers or phasing):

IV. CONDOMINIUM MANAGEMENT

- A. Management of the Common Elements: The Association of Apartment Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a condominium managing agent to assist the Association in managing the condominium project.

Initial Condominium Managing Agent: When the developer or the developer's affiliate is the initial condominium managing agent, the management contract must have a term of one year or less and the parties must be able to terminate the contract on notice of 60 days or less.

The initial condominium managing agent for this project, named on page five (5) of this report, is:

- | | |
|---|--|
| <input type="checkbox"/> not affiliated with the Developer | <input type="checkbox"/> the Developer or the Developer's affiliate. |
| <input checked="" type="checkbox"/> self-managed by the Association of Apartment Owners | <input type="checkbox"/> other _____ |

- B. Estimate of Initial Maintenance Fees:

The Association will make assessments against your apartment to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, your apartment may be liened and sold through a foreclosure proceeding.

Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided.

Exhibit H contains a schedule of estimated initial maintenance fees and maintenance fee disbursements (subject to change)

- C. Utility Charges for Apartments:

Each apartment will be billed separately for utilities except for the following checked utilities which are included in the maintenance fees:

- | | |
|---|--|
| <input checked="" type="checkbox"/> None* | <input type="checkbox"/> Electricity (____ Common Elements only _____ Common Elements & Apartments) |
| <input type="checkbox"/> Gas | (_____ Common Elements only _____ Common Elements & Apartments) |
| <input type="checkbox"/> Water | <input type="checkbox"/> Sewer <input type="checkbox"/> Television Cable |
| <input type="checkbox"/> Other | _____ |

- * Each owner is responsible for installing his own water and electric meters and wastewater disposal system.

V. MISCELLANEOUS

A. Sales Documents Filed With the Real Estate Commission:

Sales documents on file with the Real Estate Commission include but are not limited to:

- ☐ Notice to Owner Occupants
- ☒ Specimen Sales Contract
Exhibit B contains a summary of the pertinent provisions of the sales contract.
- ☒ Escrow Agreement dated March 23, 2006
Exhibit D contains a summary of the pertinent provisions of the escrow agreement.
- ☒ Other Specimen Apartment Deed

B. Buyer's Right to Cancel Sales Contract:

1. Rights Under the Condominium Property Act (Chapter 514A, HRS):

Preliminary Report: Sales made by the developer are not binding on the prospective buyer. Sales made by the developer may be binding on the developer unless the developer clearly states in the sales contract that sales are not binding. A prospective buyer who cancels the sales contract is entitled to a refund of all moneys paid, less any cancellation fee up to \$250.00.

Supplementary Report to a Preliminary Report: Same as for Preliminary Report.

Final Report or Supplementary Report to a Final Report: Sales made by a developer are binding if:

- A) The Developer delivers to the buyer a copy of:
 - 1) Either the Final Public Report **OR** the Supplementary Public Report which as superseded the Final Public Report for which an effective date has been issued by the Real Estate Commission; **AND**
 - 2) Any other public report issued by the developer prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded;
- B) The buyer is given an opportunity to read the report(s); **AND**
- C) One of the following has occurred:
 - 1) The buyer has signed a receipt for the report(s) and waived the right to cancel; or
 - 2) Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or
 - 3) The apartment is conveyed to the buyer within 30 days from the date the report(s) were delivered to the buyer.

Material Change: Binding contracts with the Developer may be rescinded by the buyer if:

- A) There is a material change in the project which directly, substantially and adversely affects (1) the use or value of the buyer's apartment or its limited common elements; or (2) the amenities available for buyer's use; **AND**
- B) The buyer has not waived the right to rescind.

If the buyer rescinds a binding sales contract because there has been a material change, the buyer is entitled to a full and prompt refund of any moneys the buyer paid.

2. Rights Under the Sales Contract: Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the project. If these documents are not in final form, the buyer should ask to see the most recent draft. These include but are not limited to the:
- A) Condominium Public Report issued by the developer which have been given an effective date by the Hawaii Real Estate Commission.
 - B) Declaration of Condominium Property Regime
 - C) Bylaws of the Association of Apartment Owners
 - D) House Rules, if any.
 - E) Condominium Map
 - F) Escrow Agreement.
 - G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
 - H) Other: _____

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer or through the developer's sales agent, if any. The Condominium Property Regime law (Chapter 514A, HRS) and the Administrative Rules (Chapter 107) are available online. Please refer to the following sites:

Website to access official copy of laws: www.capitol.hawaii.gov
Website to access unofficial copy of law: www.hawaii.gov/dcca/hrs
Website to access rules: www.hawaii.gov/dcca/har

This Public Report is part of Registration No. 4240 filed with the Real Estate Commission on September 10, 1999.

Reproduction of Report. When reproduced, this report must be on:

☐ yellow paper stock ☐ white paper stock ☒ pink paper stock

C. **Additional Information Not Covered Above**

NOT A SUBDIVISION. This is a condominium project, not a subdivision. Units purchased are not subdivided lots. To determine whether your expectations can be realized, you should carefully review the contents of this Report. You should also conduct your own investigations and ascertain the validity of information provided.

OWNER CHANGES TO IMPROVEMENTS. It is anticipated that the initial improvements on Units 1-6 may or will be replaced by or supplemented with a farm dwelling or other structure(s). The prospective purchaser shall have the right to build such farm dwelling a purchaser's expense. The purchaser shall also, in such event, file the "as-built" certificate within thirty days of completion of the farm dwelling in conformance with Section 514A-12, Hawaii Revised Statutes, and record an amendment of the Declaration of Condominium Property Regime ("Declaration") to describe the farm dwelling. The County of Kauai Planning Department requires, in order to process the necessary permits for the construction of a farm dwelling and the processing of a farm dwelling agreement, authorization from at least 75% of the legal and equitable ownership of the entire project, consistent with the Declaration and the Bylaws ("condominium documents").

Except as limited specifically by the condominium documents, all uses permitted in the agricultural zone are permitted. A farm dwelling may not be constructed unless a unit owner demonstrates to the County his ability to derive income from his property, established and verified prior to any building permit approval.

A buyer should understand that all development and use of the property shall be in compliance with County codes and ordinances, that owners in this condominium project will not necessarily receive the same County benefits as owners of approved subdivided lots, and that owners who develop their limited common element later than others may find that land use and zoning changes or insufficient utility capacities may thwart their expectations.

EXISTING IMPROVEMENTS. The Developer presently owns only Unit 4 which originally had a shed that was replaced with a barn and a greenhouse. According to information available to the Developer and based on a visual inspection conducted by Developer (i) Units 1, 2 and 3 have the original sheds (as described in Exhibit "C" to this Public Report); (ii) Unit 5 has the original two farm structures (as described in Exhibit "C" to this Public Report) and the present owner is also constructing a church; and (iii) Unit 6 no longer has the shed and the present owner constructed two school buildings. The Developer has contacted the owners of Units 5 and 6 and have informed them that in accordance with the terms of the Declaration of Condominium Property Regime (the "Declaration"), Article XVI, Section (b), they are supposed to reflect the new structures by both an amendment to the Declaration and the Condominium Map. The Developer does not know whether the owners of Units 5 and 6 will in fact make the appropriate amendments to the Declaration and Condominium Map.

MAINTENANCE FEES. Developer believes that there will be no maintenance fees. This is because all costs of every kind pertaining to each apartment and its respective limited common element, including but not limited to, cost of landscaping, maintenance, repair, replacement and improvement shall be borne entirely by the respective apartment owner. All utilities are or will be separately metered. Based on the foregoing, there is no schedule of maintenance fees attached to this Public Report. Each owner would have to install its own wastewater system. Units 1, 2, 3 and 4 do not have any wastewater system at this time. If Units 5 and 6 have restroom facilities, then they would each have to have their own septic systems.

Section 514A-86, Hawaii Revised Statutes, requires the Association of Apartment Owners to purchase fire insurance to cover the improvements of the Project, and that the premiums for the insurance be common expenses. Developer anticipates that the Association will elect to permit individual apartment owners to obtain and maintain separate policies of fire insurance and name the Association as an additional insured. In such case, fire insurance premiums will be the responsibility of individual apartment owners and not common expenses. Prospective purchasers should consult with their own insurance professionals to obtain an estimate for individual fire and hazard insurance.

RESERVES. Developer discloses that no reserve study was done in accordance with Section 514A-83.6, Hawaii Revised Statutes, and replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended. No reserves are necessary because there are no common elements that require any type of replacement or major repair.

NOTICE TO DEDICATION TO AGRICULTURE. This was against Unit 4 and provides that the owner forfeits the right to change the use of the land to other than agriculture for a period of ten years, effective January 1, 2000. This instrument was recorded in the Bureau of Conveyances, as Document No. 2000-020117. A violation of the dedication could subject the owner to special tax assessments retroactive to the date of the original dedication.

- D. The developer declares subject to the penalties set forth in section 514A-49(b) that this project is in compliance with all county zoning and building ordinances and codes, and all other county permitting requirements applicable to the project, pursuant to Act 251 (SLH 2000) [Section 514A-1.6] (The developer is required to make this declaration for issuance of an effective date for a final public report.)
- E. The developer hereby certifies that all the information contained in this Report and the Exhibits attached to this Report and all documents to be furnished by the developer to buyers concerning the project have been reviewed by the developer and are, to the best of the developer's knowledge, information and belief, true, correct and complete.

SHERWOOD C. CONANT II

Printed Name of Developer



SHERWOOD C. CONANT II

Feb 21, 2006

Date

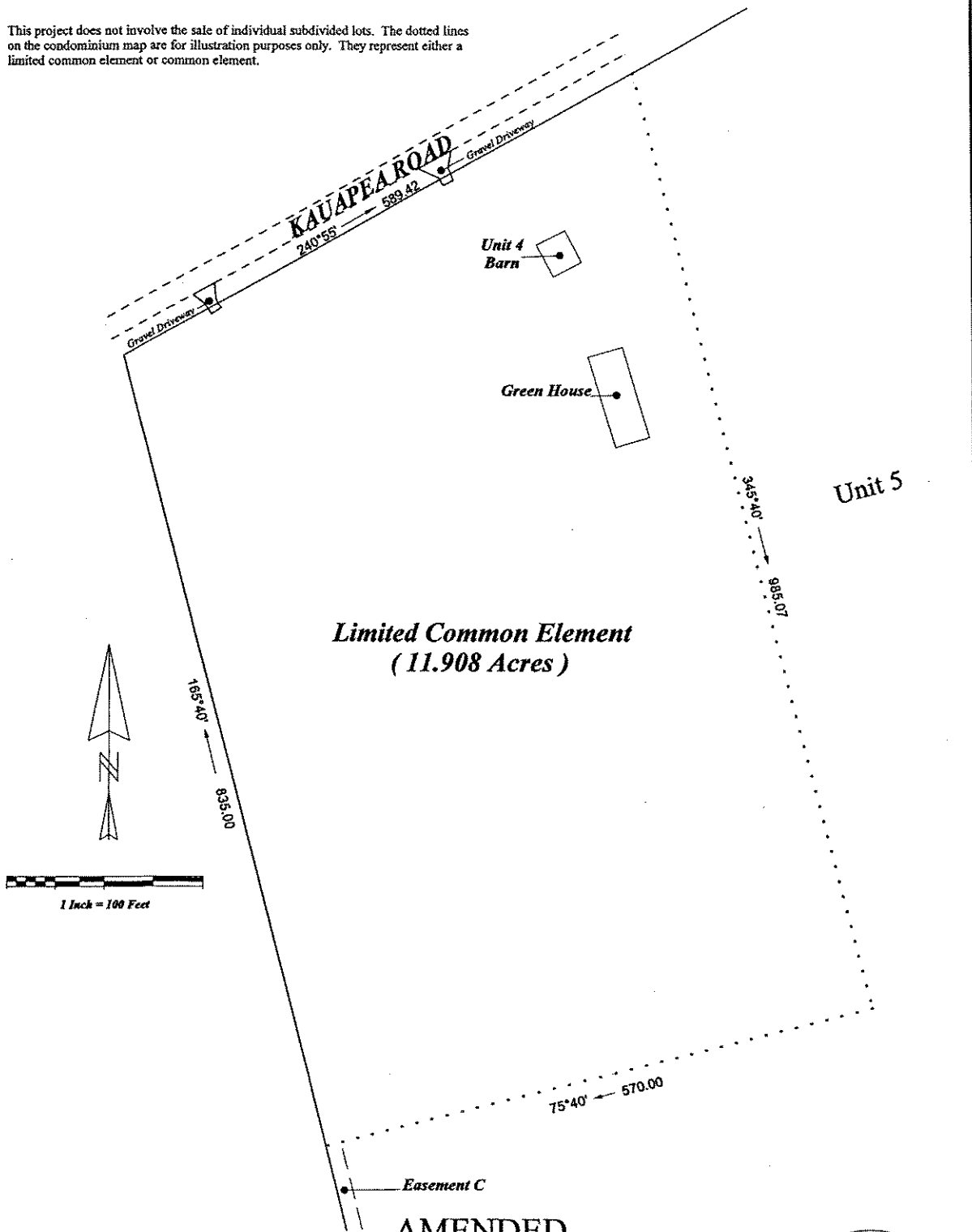
Distribution:

Department of Finance, County of Kauai
Planning Department, County of Kauai

*Must be signed for a: corporation by an officer; partnership or Limited Liability Partnership (LLP) by the general partner; Limited Liability Company (LLC) by the manager or member; and for an individual by the individual.

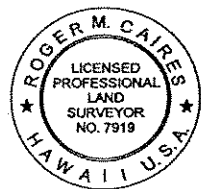
EXHIBIT "A"

This project does not involve the sale of individual subdivided lots. The dotted lines on the condominium map are for illustration purposes only. They represent either a limited common element or common element.



AMENDED
 CONDOMINIUM MAP #2938
 Unit 4
 "KILAUEA GARDENS FARMS"
 BEING A PORTION OF
 LOT 1-B-2
 KILAUEA GARDENS SUBDIVISION, FILE PLAN 1554
 Kilauea, Hanalei, Kauai, Hawaii
 TMK: 4/5-2-004: 102, CPR4

Owners: Sherwood C. Conant II & Lili Bryan-Conant
 February 6, 2006



THIS WORK WAS PREPARED BY ME
 OR UNDER MY DIRECT SUPERVISION.

Roger M. Caïres
 ROGER M. CAÏRES
 Licensed Professional Land Surveyor
 Certificate Number 7919
 Expires 04/30/06

EXHIBIT B

SUMMARY OF SALES CONTRACT

The KILAUEA GARDENS FARMS Sales Contract and Receipt (the "contract"), contains, among other provisions, the following (which may be modified or otherwise limited by provisions not summarized):

1. The method of payment of the purchase price to the escrow agent, subject to other terms.

2. The closing date for the purchase.

3. Whether, at the time of execution of the contract, an effective date for a final public report has been issued.

4. The terms and conditions of the sale which include, among other provisions, the following:

(a) That purchaser will receive a copy of the final public report for the project.

(b) Purchaser agrees that all payments made will be placed on deposit with escrow pursuant to the terms of the Escrow Agreement, and Purchaser is subject to all of the terms of the Escrow Agreement.

(c) Seller has a right to extend the closing by 31 days or by 31 days after the public report effective date is issued, whichever is later.

(d) After the issuance of the Final Public Report effective date and Buyer's waiver of its right to cancel under Hawaii Revised Statutes Section 514A-62, Purchaser shall not have the right to rescind the contract.

(e) Purchaser has received a copy of the Escrow Agreement.

(f) The unit the Purchaser is purchasing is shown on the condominium map; Purchaser will have the right to cancel if the Unit is different from that shown on Exhibit A.

(g) That a deed conveying clear title will be given at closing, subject to certain obligations

(h) That Purchaser agrees to give future easements if reasonably required for the project.

(i) Except for unexpired builder's statutory warranties and assignable appliance warranties, the Purchaser will accept the Unit "AS-IS." Purchaser assumes all risks regarding any potential hazardous materials on the condo property of property adjoining or in the vicinity, including liability for suits by third parties. Seller is, however, unaware of any such conditions on the property.

(j) The payment of commissions, if any, is set out in the contract.

(k) Time is of the essence of the obligations of Purchaser under the contract.

(l) If the Purchaser defaults, Seller may cancel the contract or bring legal action against Purchaser to force sale, or obtain money damages.

(m) If the Seller defaults, Purchaser may cancel the contract and have all deposits returned to Purchaser.

SPECIAL NOTICE: THE FOREGOING SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL TERMS AND PROVISIONS CONTAINED IN THE CONTRACT. WHILE A PURCHASER CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF THE PURCHASER'S RIGHTS AND OBLIGATIONS, THE PURCHASER MUST REFER TO THE PURCHASER'S CONTRACT TO DETERMINE THE BUYER'S ACTUAL RIGHTS AND OBLIGATIONS. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE CONTRACT, THE CONTRACT WILL CONTROL NOT THIS SUMMARY.

EXHIBIT C

SCHEDULE OF APARTMENTS AND COMMON INTERESTS

NOTE: **The following is only applicable to Unit 4.**

<u>Qty.</u>	<u>Unit No.</u>	<u>Area of Limited Common Element* (Acres)</u>	<u>No. of Br./Bath</u>	<u>Appx. Net Living Area (Sq. Ft.)</u>	<u>Appx. Other Area (Sq. Ft.)</u>	<u>% of Common Int</u>
1	1	17.591	0	0	20	15%
1	2	17.591	0	0	20	15%
1	3	23.541	0	0	20	25%
1	4	11.908	0	0	Barn: 1152 Greenhouse: 3360	15%
1	5	13.203	0	0	A: 800 B: 128	15%**
1	6	10.139	0	0	20	15%**

Pursuant to Section 16-107-5, Hawaii Administrative Rules, reference is hereby made to the method by which common interest has been computed. Units 1, 2, 4, 5 and 6 will each burden the common elements equally. Therefore, the assessment of undivided interest both for the common expense and for voting is 15% for each of those units. However, the assessment for Unit 3 is 25%, in proportion to the larger burden it will represent.

The common interest appurtenant to each unit shall be permanent. Subject to the zoning requirements and amendments of the Condominium Map and the Declaration of Condominium Property Regime, each unit owner may use the unit, alter or add to it in any manner deemed desirable, so long as it is permitted by law and the Declaration of Protective Covenants and House Rules, if any. If adjoining unit owners desire to alter and /or transfer portions of their respective units, they can do so by the filing of an amendment to the Condominium Map and the Declaration of Condominium Property Regime together with their respective signatures.

***Note:** Land areas references herein are not legally subdivided lots.

****Please see page 20 for additional disclosures.**

EXHIBIT D

SUMMARY OF PORTIONS OF ESCROW AGREEMENT

The Escrow Agreement sets up an arrangement under which the deposits which a purchaser makes under a Sales Contract will be held by a neutral party ("Escrow"). Escrow is TITLE GUARANTY ESCROW SERVICES, INC. Under the Escrow Agreement dated March 23, 2006, these things will or may happen:

(a) Developer or Escrow will let purchasers know when payments are due and all monies received from a purchaser will be deposited in Escrow. Any interest earned on the deposits will belong to Developer.

(b) Escrow will arrange for purchasers to sign all necessary documents.

(c) The Escrow Agreement specifies when purchaser funds may be disbursed upon closing of a sale. The conditions include:

i) Escrow receives the purchasers' signed "Receipt for Public Report(s) and Notice of Right to Cancel";

ii) Escrow receives a certification from the Developer that the Sales Contract is effective and that the rescission right requirements in favor of purchasers have been complied with by the Developer; and

iii) The apartment deed conveying the unit to the purchaser has been recorded in the Bureau of Conveyances.

(d) The Escrow Agreement says under what conditions a refund will be made to a purchaser. Refunds can occur under the following situations:

i) If Purchaser elects to cancel the transaction in accordance with the "Receipt for the Final Public Report and Notice of Right to Cancel". The Receipt provides that purchasers may cancel the Sales Contract and purchaser is the Receipt is mailed or sent by telegram to Developer before (1) the apartment unit is conveyed to Purchaser or (2) midnight of the 30th day after delivery of the Public Report(s) to Purchaser, whichever is earlier.

ii) The Developer and purchaser agree to terminate the Sales Contract;

iii) if the Developer exercises any right to cancel the transaction which it may have reserved.

NOTE: If a transaction is cancelled, the purchaser must return all documents to the Developer.

(e) The Escrow Agreement says what will happen to a purchaser's funds upon a default under the Sales Contract. If a purchaser defaults, all deposits previously placed into Escrow will be forfeited by purchaser and Escrow may release such funds to Developer. See paragraph 11 of Escrow Agreement.

NOTE: Section 514A-63, Hawaii Revised Statutes, provides rescission rights to a purchaser under a binding contract if there is a material change in the project which directly, substantially and adversely affects the use or value of (1) such purchaser's apartment or appurtenant limited common elements, or (2) those amenities of the project for such purchaser's use.

The Escrow Agreement contains various other provisions and establishes certain charges with which the purchaser should become acquainted. If there is any conflict between the terms of this summary and the Escrow Agreement, the latter shall control.

EXHIBIT E

COMMON ELEMENTS OF THE PROJECT

The common elements of the project are:

- (a) the land is fee simple;
- (b) all commonly used present or future ducts, electrical equipment, wiring and other central and appurtenant installations for common services, if any, including power, light, sewage, irrigation and telephone; and
- (c) any and all other future elements and facilities in common use or necessary to the Project.

LIMITED COMMON ELEMENTS OF THE PROJECT

Certain parts of the common elements, referred to as the "limited common elements," have been designated and set aside for the exclusive use of one of more units, and such unit(s) have appurtenant exclusive easements for the use of such limited common elements. The limited common elements set aside, reserved and deemed a limited common element appurtenant to and for the exclusive use of each respective unit is that certain land area upon and around which Units 1, 2, 3, 4, 5, and 6 are located, shown and designated on the Condominium Map and the table below.

Unit Number	Area of Limited Common Element*
-------------	------------------------------------

1	17.591 acres
2	17.591 acres
3	23.541 acres
4	11.908 acres
5	13.203 acres
6	10.139 acres

***Land areas referenced herein are not legally subdivided lots.**

EXHIBIT F

ENCUMBRANCES

NOTE: The following are the encumbrances on Unit 4.

1. Real Property Taxes. Check with the County of Kauai, Department of Finance, Real Property Tax Division, for detailed information.
2. Title to all minerals and metallic mines reserved to the State of Hawaii.
3. Designation of Easement "A" (50 feet wide) for irrigation purposes over and across Lot 1, as shown on File Plan No. 1554.
4. Designation of Easement "B" (50 feet wide) for irrigation purposes over and across Lot 1, as shown on File Plan No. 1554.
5. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in the instrument dated Agreement dated February 13, 1978, recorded in the Bureau of Conveyances, State of Hawaii, in Book 12852, Page 348; re: agricultural restrictions.
6. Unrecorded Agreement dated January 3, 1935, as contained in Deed dated September 6, 1972, recorded in said Bureau, in Book 8566, Page 245; re: 2 inch water pipeline.
7. Unrecorded Agreement dated January 3, 1935, as contained in Deed dated September 6, 1972, recorded in said Bureau, in Book 8566, Page 245; re: allowing the Coast Guard to maintain existing 2 inch water pipeline and take surplus water from the end of the 8 inch water main at Kilauea Sugar Company, Limited's Mill.
8. Unrecorded Rental Agreement effective as of December 15, 1971, as contained in Deed dated September 6, 1972, recorded in said Bureau, in Book 8566, Page 245.
9. Grant in favor of C. Brewer & Co., Ltd., a Hawaii corporation, dated August 22, 1978, recorded in said Bureau, in Book 13123, Page 211, granting an easement over said Easements "A" and "B".

10. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in the Deed dated July 16, 1984, recorded in said Bureau, in Book 18055, Page 98.

11. Right-of-Entry in favor of Verizon Hawaii, Inc., now known as Hawaiian Telecom, Inc., and Citizens Utilities Company, whose interest is now held by Kauai Island Utilities Co-Op, dated August 26, 1980, recorded in said Bureau, in Book 15138, Page 469, granting a right-of-entry and temporary easement for utility purposes.

12. Waiver and Release dated September 14, 1998, recorded in said Bureau, as Document No. 98-137881, re: water services.

13. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in the Declaration of Condominium Property Regime for "Kilauea Gardens Farms" dated May 11, 1999, recorded in said Bureau, as Document No.99-133770.

Condominium Map No. 2938.

Said Declaration was amended by the following instruments:

<u>DATED:</u>	<u>DOCUMENT NO.:</u>
December 1, 1999	99-196867
July 31, 2001	2001-122118
February 21, 2006	2006-049529

14. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in the By-Laws of the Association of Apartment Owners dated May 11, 1999, recorded in said Bureau, as Document No. 99-133771.

15. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in the Apartment Deed dated May 11, 1999, recorded in said Bureau, as Document No. 2000-020128.

16. Notice of Dedication dated January 1, 2000, recorded in said Bureau, as Document No. 2000-020117, re: dedication of land for agricultural purposes, for a period of 10 years.


COPY

COUNTY OF KAUAI
PLANNING DEPARTMENT
4444 Rice Street, Suite 473, Bldg. A,
Lihue, Hawaii 96766

M E M O R A N D U M

DATE: October 7, 1999

TO: Senior Condominium Specialist
Real Estate Commission
P&VLD/DCCA
250 South King Street, Suite 702
Honolulu, Hawaii 96813

FROM: Dee M. Crowell, Planning Director 

Subject: Certification of Inspection of Existing Buildings for

PROJECT NAME: KILAUEA GARDENS FARMS CONDOMINIUM PROJECT
TAX MAP KEY: (4) 5-2-4 :102

The developer of the above-mentioned condominium project has requested that this office, as an agency of the County of Kauai, review the project for compliance with all ordinances, codes, rules, regulations and other requirements of the County of Kauai (Section 514A-40 (b)(1), HRS). Subject to the disclosures and waiver (item "g" below) specified herein, we certify the following:

- a. The developer has contracted architect Ron Agor to certify that the existing structures on the proposed project are in compliance with all ordinances, codes, rules, regulations and other requirements in force at the time of its construction, and to that extent, and subject to the conditions of waiver herein, the Planning Department adopts that certification as it pertains to the rules and regulations administered solely by this department.
- b. There were no variances approved for the subject property.
- c. The parcels does not contain any outstanding legal nonconforming uses or structures as a result of the adoption or amendment of any ordinances or codes.
- d. Kilauea Gardens Farms Unit six (6) of the project has been approved for a school by the Planning Commission.
- e. There are no outstanding violations of County building or zoning codes according to our records.

Senior Condominium Specialist

Page 2

October 7, 1999

- f. Kauai Electric, Department of Water requested that this department inform them of new CPRs so they can provide their comments on existing facilities and on additional and future service requirements for the project. Their comments herewith enclosed.
- g. WAIVER
The foregoing certification is not a warranty as to any compliance with all applicable County and State rules and regulations. The sole reason for the execution hereof is to comply with statutory requirements relating to the regulation of condominiums under Subsection 514A-40 (b)(1), Hawaii revised Statutes.

If you have any questions, please contact Alvin Fukushima of my staff at 241-6697

cc: Steven R. Lee